



# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

September 17, 2019

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

26 September 17, 2019

  
CELIA ZAVALA  
EXECUTIVE OFFICER

Dear Supervisors:

**ADOPT RESOLUTION APPROVING ISSUANCE OF TAX-EXEMPT MULTIFAMILY HOUSING  
MORTGAGE REVENUE BONDS FOR MULTIFAMILY HOUSING IN THE CITY OF HUNTINGTON  
PARK  
(DISTRICT 1) (3 VOTES)**

**SUBJECT**

This letter requests that your Board adopt a Resolution approving the issuance of Multifamily Housing Mortgage Revenue Bonds to finance the site acquisition and rehabilitation of Casa Bonita Senior Apartments, an 80-unit multifamily rental housing development located in the City of Huntington Park. This letter relates to another item on the agenda of the Board of Commissioners of the Los Angeles County Development Authority.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that adoption of this Resolution is not subject to the provisions of the California Environmental Quality Act (CEQA) because the action will not have the potential of causing a significant effect on the environment.
2. Adopt and instruct the Chair to sign a Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, approving the issuance of Multifamily Housing Mortgage Revenue Bonds and Related Actions by the Los Angeles County Development Authority (LACDA) in an amount not to exceed \$15,000,000 to RASA, L.P. (Borrower), or an LACDA approved affiliate or assign thereof, to finance the site acquisition and rehabilitation of an 80-unit multifamily rental housing development to be located at 6512 Rugby Avenue, in the city of Huntington Park (Project).

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The recommended actions will authorize the issuance of tax-exempt Multifamily Housing Mortgage Revenue Bonds in an aggregate amount not to exceed \$15,000,000 (Bonds) in order to finance the site acquisition, rehabilitation and development of the Project. The developer for the Western Community Housing, Inc. The Borrower is a limited partnership that includes the developer as a partner.

The Project, located at 6512 Rugby Avenue, in the City of Huntington Park consists of one (5) five-story apartment building, comprised of 64 one-bedroom units and 16-two-bedroom units. Seventy-nine units will be occupied by households with incomes that do not exceed 50% of the area median income (AMI) for the Los Angeles Metropolitan Statistical Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development (HUD). The affordability requirements will remain in effect for 55 years. The manager's unit will have no affordability requirements.

### **FISCAL IMPACT/FINANCING**

There is no impact on the County general fund. The Bonds will be repaid solely through rent revenues collected by the Developer. The Developer will pay all fees and related costs.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On September 3, 2019, the City Council of the City of Huntington Park adopted a resolution authorizing the LACDA to issue multifamily revenue bond to finance the site acquisition, construction and development of the Project.

Adoption of the Resolution by your Board is required prior to submission of the LACDA's application to CDLAC for a private activity bond allocation. This action does not, however, authorize the issuance and sale of the Bonds. The LACDA will return to the Board of Commissioners for this authorization at a later date.

On August 26, 2019, the LACDA conducted a hearing at its office located at 700 West Main Street in Alhambra regarding the issuance of multifamily bonds to finance the Project, pursuant to Section 147(f) of the Internal Revenue Code. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the Project.

The attached Resolution was prepared by Kutak Rock, LACDA Bond Counsel, and approved as to form by County Counsel.

### **ENVIRONMENTAL DOCUMENTATION**

The proposed action is not a project pursuant to CEQA because it is an activity that is excluded from the definition of a project by Section 15378 (b)(5) of the State CEQA guidelines. The proposed action is an administrative activity of government which will not result in direct or indirect physical change to the environment.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The Honorable Board of Supervisors

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The proposed action is a necessary step to provide bond financing for the Project, which will increase the supply of affordable multifamily housing in the County with long-term affordability.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Monique King-Viehlund". The signature is fluid and cursive, with a large, stylized initial "M".

MONIQUE KING-VIEHLAND

Executive Director

MKV:LK:LN:JWR:DR

Enclosures

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF  
LOS ANGELES APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING  
REVENUE BONDS AND RELATED ACTIONS IN THE COUNTY OF LOS ANGELES

WHEREAS, the Los Angeles County Development Authority (the “LACDA”), intends to adopt a plan of financing to sell and issue multifamily housing revenue bonds or notes in one or more series issued from time to time, and at no time to exceed \$15,000,000 in outstanding aggregate principal amount (the “Bonds”), in order to assist in financing (including reimbursement of Borrower’s expenditures) the acquisition and rehabilitation of a multifamily rental housing development consisting of 80 units located at 6512 Rugby Avenue, in the City of Huntington Park and in the County of Los Angeles (the “Project”), to be owned by a limited partnership to be formed by the Western Community Housing, Inc. and whose general partner is expected to be RASA, L.P. (or an LACDA approved affiliate, assignee or designee); and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the “Code”), the Bonds are required to be approved prior to their issuance by the applicable elected representative of the governmental unit on whose behalf the bonds are expected to be issued and by each governmental unit having jurisdiction over the area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

WHEREAS, the interest on the Bonds may qualify for exclusion from gross income under Section 103 of the Code, only if the Bonds are approved in accordance with Section 147(f) of the Code; and

WHEREAS, the Project is located wholly within the County of Los Angeles, California and is within the City of Huntington Park; and

WHEREAS, the City of Huntington Park has approved the issuance by the LACDA of the Bonds for the Project within the City of Huntington Park;

WHEREAS, this Board of Supervisors (the “Board”) is the elected legislative body of the County and is the applicable elected representative of the LACDA within the meaning of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the LACDA has, following notice duly given, held a public hearing regarding the plan of financing and the issuance of such Bonds on August 26, 2019, and now desires that the Board approves the issuance of such Bonds within the County of Los Angeles; and

WHEREAS, this Board hereby finds and declares that this Resolution is being adopted pursuant to the powers granted by law.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The above recitals, and each of them, are true and correct.

2. This Board hereby approves the plan of financing and the issuance of the Bonds by the LACDA to finance costs of the Project. It is the purpose and intent of this Board that this Resolution constitute approval of the plan of financing and the Bonds by the applicable elected representative of the issuer of the Bonds and the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with Section 147(f) of the Code.

3. The LACDA is hereby authorized and directed to take whatever further action relating to the aforesaid financial assistance may be deemed reasonable and desirable, provided that the terms and conditions under which the Bonds are to be issued and sold shall be approved by the LACDA in the manner provided by law prior to the sale thereof.

4. The Executive Officer-Clerk of the Board or a deputy thereof is directed to certify and deliver a copy of this Resolution to the LACDA.

5. This Resolution shall take effect immediately upon its adoption.

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PASSED AND ADOPTED by the Board of Supervisors of the County of Los Angeles,  
State of California, this 17<sup>th</sup> day of September, 2019, by the following vote:

AYES: Supervisors Solis, Ridley-Thomas, Kuehl, Barger and Hahn

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

By *Janice Hahn*  
Chair of the Board of Supervisors

ATTEST:

CELIA ZAVALA,  
Executive Officer-Clerk  
of the Board of Supervisors

By

*Lachelle Amitherman*  
Deputy



APPROVED AS TO FORM:

MARY C. WICKHAM,  
County Counsel

By

*Behrez Jahan*  
Deputy